

BUDGET WORK SESSION
MONDAY, JUNE 4, 2007
6:00 p.m.

THE VILLAGE OF DEXTER
VILLAGE COUNCIL

Copeland Board Room- 7720 Dexter Ann Arbor Road

2007/08 BUDGET WORK SESSION

1. Review Proposed Street Fund 2007/08 Budget
2. Review CIP Document

This is a Special Council work session meeting; action will NOT be taken.

"This meeting is open to all members of the public under Michigan Open Meetings Act"

**DEXTER VILLAGE COUNCIL
BUDGET WORKSHOP MEETING
MONDAY, JUNE 4, 2007**

The meeting was called to order at 6:00 p.m. by President Seta at the Copeland Board Room, 7720 Dexter Ann Arbor Road. In attendance were Council members Jim Carson, Paul Cousins, Donna Fisher, Shaun Keough, Joe Semifero, and Ray Tell.

Item 1: Review Proposed Street Fund 2007/08 Budget

- 202-000.000-695.005 Transfer In – Main Street Bridge Project: Directed Staff to calculate actual bridge cost based on project estimates. **(Attached)**
- 202-451.000-803.000 Contracted Services: Council requested more detail on project(s) covered. **(Attached)**
- Liability Insurance: Question regarding increase percentage and if insurance is regularly compared between companies. Staff to respond. **The Village had a reduction in premium at our last renewal, as well as a refund check last fall. Our July 1, 2007 renewal rates have not been provided. The fund breakout percentages for the premium total are being adjusted and the total for liability insurance reconciled throughout each paying fund. A copy of the break out is attached.**
- 203-000.000-573.000: Questioned if revenue can be used to provide and/or repair sidewalks. Staff to provide answer. **Ed provided answer, attached.**
- Personnel costs: Council requested that staff provide total employment costs over all funds. **Attached**
- Municipal Streets Fund: Discussion of cash balances.

Item 2: Review CIP Document

- Dexter-Ann Arbor Street project: Council discussed moving project up to Fiscal Year 07/08 to take advantage of an available state grant in addition to federal funding to be received in FY 08/09. \$850,000 budget recommendation made for line 202-451.000-970.000.
- Council directed Staff to recommend one or more smaller street projects like Third or Inverness, or any other 2007-2010 project for inclusion, with the exception of Fifth Street, which will likely be an alternate route during the Dexter-Ann Arbor construction. This recommendation should be coordinated with any sewer and water projects that may also be required.
- Council discussed Central Street project. This project should be considered after the Village receives reimbursement from the state and federal sources for the Dexter-Ann Arbor Street project.
- Council requested that Staff recommend general fund CIP projects for inclusion in the budget at the next meeting. **The Sediment Management Project will need to be included in the General Fund Budget at \$330,000. If this project is completed by June 30, 2008 it will be necessary to use fund balance reserves to cover the cost. This will limit reserve cash flow for the Village**

Hall Project, which has Bond funding set aside in Fund 401. Council can still consider initiating the 2nd Bond Series of the original \$2.8 million Notice of Intent.

- Council discussed an arts and cultural commission. The discussion involved what other communities do, citizen involvement, how to set up a commission, and whether or not there is a need to budget for it at this time. Mr. Cousins to provide follow up on this discussion.

The meeting was adjourned at 7:25 p.m.

Respectfully submitted,

Marie A. Sherry
Treasurer/Finance Director

Approved for Filing: June 11, 2007

VILLAGE OF DEXTER

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MEMO

To: President Seta and Council
From: Donna Dettling, Village Manager
Date: June 11, 2007
Re: Main St. Bridge Over Mill Creek
Calculate cost for 2007/08 Budget

Based on the estimates from the May 5th Cost Share Agreement the following expenses will be realized by the Village of Dexter of our maximum \$400,000 commitment to the Bridge Project.

1. Construction	\$1,800,000		
2. Dam Removal without sediment management	\$50,000		
3. Roadway Approaches	\$400,000		
Total Construction Costs	\$2,250,000		
Local Match 5%	\$112,500	30% Village Share	\$33,750
4. Design & Construction Management	\$550,000		
5. ROW	\$50,000		
Total Other Costs	\$600,000		
Local Match 100%	\$600,000	30% Village Share	\$180,000

Estimated Village Share \$213,750

Major Street Fund 2006/07 estimated year-end budget shows \$100,000 of this being spent by June 30, 2007 (\$43,000 has been expensed to date). I have not received another invoice from WCRC, however if an invoice is generated and the services are for the period prior to June 30, these expenses will be shown in the 2006/07 budget. Any funds from 2006/07 not spent for the bridge project are available for next year. The proposed 2007/08 budget for bridge expenses is \$150,000, which could leave the line item short \$20,000 of our estimated village share of \$213,750. However, with the project starting in spring 2008, there will most likely be funding required for the 2008/09 fiscal year as well.

After the project is bid later this year and I have actual construction costs, I will update this cost share for budget purposes. I am keeping an .xls spreadsheet to reconcile all payments made to the WCRC for the Village's bridge cost share. This document will provide a better picture of the transactions, as they will span 3 fiscal years by the time the bridge is completed.

If the \$100,000 in 06/07 isn't spent. see math.

TO: Donna Dettling - Village Manager
FROM: Ed Lobdell - Public Services Supt.
RE: Major/Local Response

Donna:

The types of projects that have been funded out of Major and Local Contracted Services are as follows.

The Ann Arbor St. Catch Basin replacement Project.

Other Catch Basin and Storm Water Work.

Traffic Light Signal Repair.

Street Painting.

Industrial Park Basin Improvements.

Adding Chloride to Alleys.

* Can move all
sidewalk repair
to Major/Local
Contracted

Act 51 funding is available for non-motorized walkways only if the walkway meets the state requirement for width. The path at the park on Ryan qualified for such funding, but a five foot sidewalk does not.

If a project for road replacement also has sidewalk as part of the project, it could be funded thru Major/Local Contracted Services. I do not think that a repair and replacement program can be. this would be a question for Marie.

Hopefully this helps, let me know if you need more.

Respectfully Submitted:

Ed Lobdell
Public Services Supt.

See attached update
from Metro Authority.
attached : Dated 6-8-07

www.michigan.gov
(To Print: use your browser's print function)

Release Date: March 10, 2003
Last Update: January 10, 2007

Metro Authority Annual Report & Funds Use Guidelines

Municipalities with populations over 10,000 are required to report on the usage of the funds they receive under **PA 48 of 2002**. The act states that municipalities may use funds received under the act solely for rights-of-way purposes.

Public Right-of-Way Definition

A public right-of-way is defined broadly in Section 2(i) of the METRO Act (MCL 484.3102), as:

"The area on, below or above a public roadway, highway, street, alley, easement or waterway. Public right-of-way does not include a federal, state or private right-of-way."

Based on this definition, a public right-of-way does not include just the public roadway, highway, street or alley, but also includes, more broadly, public easements and public waterways.

Guidelines For The Use Of Right-Of-Way Funds

Section 10(4) of PA 48 states: "The amount received under sections 11 and 12 shall be used by the municipality solely for rights-of-way related purposes. Rights-of-way purposes does not include constructing or utilizing telecommunication facilities to serve residential or commercial customers."

Some applications are obviously allowable and others are obviously not allowable. The following lists some examples of applicable and non-applicable uses of right-of-way funds:

A. Applicable Uses

1. Administrative expenses related to the administration of the METRO Act provisions, including:
 - Engineering costs related to rights-of-way purposes
 - Consulting costs related to rights-of-way purposes
 - Cost-allocated management costs related to rights-of-way purposes
2. Public rights-of-way maintenance and repair, including the removal of blighted/diseased trees from the public rights-of-way; and to replace sidewalks damaged by trees in public rights-of-way.
3. Public rights-of-way dust control.
4. Public street lighting installation and expenses for rights-of-way purposes, including electricity and light fixtures for lighting in the public right-of-way.
5. Public rights-of-way snow removal for rights-of-way purposes.
6. Maintenance of the unimproved area of a public rights-of-way (i.e., trimming and cutting of trees and brush).
7. Construction and maintenance of sidewalks and bike paths within the public rights-of-way.
8. Construction or utilization of telecommunication facilities within the public rights-

of-way to serve noncommercial governmental interests.

9. Signage in public right-of-way, ie, neighborhood watch signs, welcome signs, etc.
10. Equipment purchases used strictly for rights-of-way purposes, ie, portable scales used to keep overloaded trucks off public right-of-way.
11. Purchase and planting of trees, shrubs and flowers in public right-of-way.

B. General Non-Applicable Uses

1. Capital improvements not used for right-of-way purposes.
2. Non-right-of-way related regular payroll/administrative expenses, unless supported by an acceptable cost allocation methodology.
3. Equipment purchases, unless shown to be used primarily for rights-of-way maintenance.
4. Private road construction and maintenance.

C. Strictly Non-Applicable Uses

1. Constructing or utilizing telecommunication facilities to serve residential or commercial customers.
2. Non-right-of-way construction or maintenance.

The above listed examples are not meant to be exclusive/inclusive of all possible situations.

D. Negative Carry Forward of METRO Funds

Any negative carry forward balance is limited to an amount not to exceed the total amount of funds received in the current reporting year.

If you have any questions or need assistance in determining the applicable use of and reporting of right-of-way funds, please contact the METRO Authority.

Rev. February 28, 2006

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Premium Payment MMRMA
Due:

[illegible]

Estimated Actual FY 06/07

Department	Non-Union	Union	Overtime	Longevity	FICA	Retirement	Total Dept	% of Total
Administration	230,157	66,534	874	1,050	23,185	31,321	353,121	33.95%
DPW	23,918	113,909	530	3,131	11,244	12,852	165,584	15.92%
Streets	36,497	75,740	5,483	1,761	9,015	13,620	142,116	13.66%
Utilities	37,755	248,811	13,417	14,210	24,985	40,026	379,204	36.46%
Total Activity	328,327	504,994	20,304	20,152	68,429	97,819	1,040,025	
% of Total	31.57%	48.56%	1.95%	1.94%	6.58%	9.41%		

Budget FY 07/08

Department	Non-Union	Union	Overtime	Longevity	FICA	Retirement	Total Dept	% of Total
Administration	237,100	70,200	1,000	1,100	23,600	31,200	364,200	33.53%
DPW	28,300	123,900	5,100	3,300	11,600	16,300	188,500	17.36%
Streets	35,500	77,800	7,300	2,600	9,300	14,600	147,100	13.54%
Utilities	39,500	255,500	13,000	14,800	25,700	37,800	386,300	35.57%
Total Activity	340,400	527,400	26,400	21,800	70,200	99,900	1,086,100	
% of Total	31.34%	48.56%	2.43%	2.01%	6.46%	9.20%		

Change - FY 06/07 Actual to FY 07/08 Budget

Department	Non-Union	Union	Overtime	Longevity	FICA	Retirement	Total Dept	% Change
Administration	6,943	3,666	126	50	415	(121)	11,079	3.04%
DPW	4,382	9,991	4,570	169	356	3,448	22,916	12.16%
Streets	(997)	2,060	1,817	839	285	980	4,984	3.39%
Utilities	1,745	6,689	(417)	590	715	(2,226)	7,096	1.84%
Total Activity	12,073	22,406	6,096	1,648	1,771	2,081	46,075	
% Change	26.20%	48.63%	13.23%	3.58%	3.84%	4.52%		